

REMARKS

Claims 1-3, 5-9, 11-16, 18-21, and 23-26 are pending in the above-referenced Application.

All pending claims (1-3, 5-9, 11-16, 18-21, and 23-26) of the present Application were rejected under 35 U.S.C. §102(b) as being anticipated by United States Patent 6,178,407 B1 to Lotvin et al. (hereinafter "Lotvin"). The present Application includes three independent claims, claims 1, 14, and 26.

Claim 1 requires, inter alia:

"providing an education activity to a user, wherein the user is not eligible to open a credit account. . . establishing a relationship with a second party, the second party being a major financial services company, to have the second party create and manage an account that identifies the user... wherein the second party: secures payment to third parties for items the user purchases with the account; and receives, from third parties, information associating the identification of the user with the items that the user purchases."

In one embodiment of the present invention, a system is provided in which a major financial services company can obtain rarely (if at all) available information associating the identity of a user who is not eligible to open a credit account with the items the user purchases. Thus, for example, the system can directly obtain information including what an *identified* such user *purchased*, e.g., "child Billy Smith purchased two video games."

Consider another example embodiment where the user who is not eligible to open a credit card account is a child. (See Application, p. 5, line 29 through p. 6, line 4; and p. 7, ll. 6-8). Because the user is a child, he or she may be ineligible to open most or all credit accounts operated by a major financial services company. (See *id.* at p. 6, ll. 2-5; and p. 10, ll. 30-32). Therefore, the major financial services company may be unable to obtain rare and thus valuable

information associating the child's identity with, for example, toys purchased for or by the child. (See *id.* at p. 10, line 33 through p. 11, line 3).

However, the present invention provides a solution that allows the major financial services company to open an account that identifies the child user. Such an account can be opened in the child's name since it is funded or pre-funded by a parent or other source, thus avoiding the extension of credit to the child. (See *id.* at p. 7, ll. 13-33; and p. 10, ll. 6-12). An example of such an account is an account managed like a stored value account, in which only money already funded into the account by the accountholder may be applied to purchases. (See *id.*, p. 8, ll. 5-22).

In one embodiment, the account of the user thus provides a system in which a major financial services company can create and manage an account that identifies a child or other user not eligible to open a credit account, and can thus associate the identity of that user with the items the user purchases.

Applicants respectfully submit that Lotvin nowhere discloses or suggests a system, such as claimed in claim 1 in which a major financial services company receives information "associating the identification of a user" who is not eligible to open a credit account "with the items that the user purchases." Thus, for example, where a credit card company provides the account for funding a purchase by a child, the child's parents hold the credit card account. (See Lotvin, col. 7, ll. 9-12). Thus, when a purchase is made, the credit card company will receive information associating the identity of the *parents*, not the child, with the items the child purchases, e.g., "Mr. and Mrs. Smith purchased two video games." For at least these reasons, Applicants respectfully submit that claim 1 is neither disclosed nor suggested by Lotvin, and thus claim 1 is allowable over Lotvin.

Claims 14 and 26 of the present Application also include the requirements, as in claim 1, that the user is not eligible to open a credit account; the establishment of a relationship with a second party, the second party being a major financial services company, to have the second party create and manage an account that identifies the user; and receipt by the second party of information associating the identification of the user with the items that the user purchases.

Thus, for at least the reasons described above with respect to claim 1, Applicant's respectfully submit that claims 14 and 26 are also neither disclosed nor suggested by Lotvin, and are thus allowable over Lotvin.

Claims 1, 14 and 26 provide significant advantages over the prior art. Information associating the identity of a user with the user's purchases is rarely, if at all, available where the user is ineligible for a credit account. (See Application, e.g. p. 2, ll. 27-32; p. 5, ll. 27-31 through p. 6, ll. 1-6; p. 10, ll. 30-33 through p. 11, ll. 1-3). Such information is valuable, since it can be, for example, analyzed to determine purchasing preferences of the user, used to create a purchase history file for each user, or sold and/or used to target advertising to a user based upon his or her purchasing preferences (See *id.*, e.g., p. 10, ll. 20-27, p. 11, ll. 3-7). Because of this value, major financial service companies have great incentive to be a second party in the present invention, since a second party receives this information directly from a third party when a user makes a purchase. (See *id.*, e.g., p. 10, ll. 14-17, and p. 17, ll. 24-28). Additionally, financial service companies such as Visa, MasterCard, and First Data are already setup for such transfer of information. (See *id.* at p. 10, ll. 14-20). Major financial service companies may not require payment, or may provide a discount, to create and manage accounts of users in accordance with the present invention. (See *id.*, e.g., p. 10, ll. 25-29; p. 17, ll. 24-28).

Employment of a major financial services company as the second party has significant advantages. In these claims, the second party manages an account that allows the user to purchase items. Where the second party is a major financial services company, such as MasterCard or Visa, the user may purchase items from any of the millions of merchants with which the major financial services company has a relationship. (See *id.*, e.g., p. 2, ll. 16-26; p. 8, ll. 17-33; p. 13, ll. 17-23). This provides significant motivation to a user to achieve educationally, since the rewards provide short-term reinforcement that is user-specific. (See *id.*, e.g., p. 2, ll. 22-26). Thus, the user may apply the monetary value of earned points toward items that he or she specifically desires. (See *id.*).

Claims 2-3, 5-9, 11-13, 15-16,, 18-21 and 23-25 were also rejected in view of Lotvin. These claims each depend from one of the independent claims 1 and 14, which, Applicants

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respectfully submit above, are allowable. Therefore, claims 2-3, 5-9, 11-13, 15-16, 18-21, and 23-25 are also allowable. Accordingly, Applicants respectfully submit that all claims are in form for allowance.

It is believed that all of the pending claims have been addressed. However, the absence of a reply to a specific rejection, issue or comment does not signify agreement with or concession of that rejection, issue or comment. In addition, because the arguments made above may not be exhaustive, there may be reasons for patentability of any or all pending claims (or other claims) that have not been expressed. Finally, nothing in this paper should be construed as an intent to concede any issue with regard to any claim, except as specifically stated in this paper, and the amendment of any claim does not necessarily signify concession of unpatentability of the claim prior to its amendment.

Please apply any charges or credits to deposit account 06-1050.

Respectfully submitted,

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